

Unit 303: Contribute to business success

Handout 10: Training costs

The training or coaching planning must also include a budget allocation. In essence any training incurs costs either through direct costs for the trainer or through costs incurred due to loss of productivity.

Costs for trainers can be substantial e.g. for a motivational speaker or change management consultant the fees can be several thousand dollars. If in-house staff is used the hourly cost is incurred as well as the replacement of the staff member by other staff or casuals.

Costs for participants must also be calculated:

- Are they doing the training in their work hours?
- Are they reimbursed for attending the training?
- Are they doing the training as part of overtime?

Ancillary costs for participants can be:

- accommodation
- food and beverages
- travel

Budget allocation for training is ideally incorporated into the annual HR budget.